

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Richmond Division**

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In re:	:	Chapter 11
	:	
CIRCUIT CITY STORES, INC., <u>et al.</u>,	:	Case No. 08-35653-KRH
	:	
	:	Jointly Administered
Debtors.	:	
-----X		

**RESPONSE OF LA HABRA IMPERIAL, LLC TO THE
LIQUIDATING TRUST’S SEVENTEENTH AND TWENTIETH
OMNIBUS OBJECTIONS TO LANDLORD CLAIMS**

La Habra Imperial, LLC (“La Habra”), hereby responds to the Liquidating Trust’s Seventeenth and Twentieth Omnibus Objections to Landlord Claims, as follows:

A. Claim 12488

1. In both the Seventeenth Objection and the Twentieth Objection, the Liquidating Trust has objected to La Habra’s proof of claim numbered 12488 (“Claim 12488”), which claim seeks payment of \$1,400,456.79 for lease rejection damages under 11 U.S.C. 502(b)(6). Claim 12488 was filed on April 28, 2009.

2. Exhibit C to the Twentieth Omnibus Objection states that the Trustee seeks to reduce Claim 12488 from \$1,400,456.79 to \$1,303,372.92, saying that it should be reduced by \$73,726.01 for November stub rent, and \$12,541.28 for attorneys’ fees (“Attorneys’ Fees”), \$2,777.38 for post-petition taxes and \$9,039.21 in other damages (The Liquidating Trust states

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that Claim 12488 is unliquidated. This is incorrect). La Habra opposes the reduction of Claim 12488 by the objected-to amounts, except for the “stub rent” reduction, to which it consents. Such amounts were incurred during the bankruptcy case and are due under the lease. To the extent the Court does not allow the Attorneys’ Fees as an administrative expense, they should be allowed as part of Claim 12488. All other damages and expenses have been detailed, and backup information will be provided again upon request.

B. Claim no. 13637

3. La Habra prepared and filed a proof of claim that was numbered 13637 (“Claim 13637”) for administrative amounts owed, which claim seeks payment of \$85,257.38 of administrative amounts due to La Habra. Claim 13637 was filed timely on June 26, 2009.

4. In the Twentieth Omnibus Objection the Trustee seeks to expunge Claim 13637 on the basis that “November stub rent and Attorney Fees are covered in Claim 12488.”

5. The Administrative Attorneys’ Fees were incurred by La Habra during the bankruptcy. They are permitted under the lease. Copies of bills will be made available upon request. Thus they are a part of La Habra’s administrative expense claim and should not be moved to Claim 12488. To the extent they duplicate an item in Claim 12488, it is claim 12488 that should be reduced.

6. La Habra demurs to the Seventeenth and Twentieth Objections insofar as they seek to expunge or reduce its claim. However, it recognizes that it has filed some duplicate claims. It proposes that Claim 12488 be allowed in full except to the extent that such claim includes \$73,726.01 for November, 2008 “stub rent.” Also, La Habra agrees that Claim 13637 can be reduced to the extent that the “stub rent” has been paid. Likewise, the Attorneys’ Fees, being an administrative expense claim, can be removed from Claim 12488 but should be

included in Claim 13637. All other claims filed on behalf of La Habra can then be struck as duplicative.

WHEREFORE, La Habra respectfully requests that the Court enter an order scheduling a hearing on the Seventeenth and Twentieth Omnibus Objections' treatment of Claim 12488 and Claim 13637; allowing La Habra's Claim 12488 and Claim 13637 as requested herein; and ruling that the Liquidating Trust not continue to file more objections to La Habra's claims *seriatim*.

Dated: April 6, 2011

LA HABRA IMPERIAL, LLC

By: /s/ Augustus C. Epps, Jr.

Counsel

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CERTIFICATE OF SERVICE

I hereby certify that on the 6th day of April 2011, I caused a copy of the foregoing to be served by electronic means through the ECF system.

/s/ Augustus C. Epps, Jr.
Augustus C. Epps, Jr.

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